

Dear Enquiry,

It seems to me that the greatest threat to the financial wellbeing of future generations is the widespread fraud committed against everyday Australians by the banking and financial advice industries.

I agree with all the points made by Bank Reform Now in their submission to the Enquiry.

When financial advisers provide financial advice that leads to massive losses for their clients, they should be brought to account. If a mechanic doesn't repair a motor vehicle properly, and this leads to a car crash, that mechanic usually faces criminal and civil charges.

Why are banks and financial advisers exempt in practice from a requirement that they conduct their business fairly, honestly, for the benefit of their customers? Why are they exempt from requirements that if the advice they provide leads to losses, they should be held accountable? At the very least, they should be investigated by an outside authority. I think at the very least, if an advisor's advice leads to financial losses for their client, they should be prohibited from being paid for that advice. Instead of being promoted and earning bonuses, they should be investigated for fraud. If fraud is proven, they should face jail time.

To rule that a fine should be paid if just not good enough. Banks are not overly inconvenienced by this; it's a cost of doing business; there is no incentive to change.

The entire banking industry including financial advice elements, is visibly corrupt. We need deterrents that will work, not little slaps on wrists.

There should be separation between the banking industry and our politicians. Banks should be prohibited from donating to political parties and individual politicians. This should be scrutinised regularly to ensure that bankers are not getting around the law by using complicated methods to hide their donations.

There should be mandatory prison sentences for bankers and financial advisers found to have committed fraud or to have been incompetent to the extent that they have bankrupted their clients. The clients should receive compensation for everything they have lost, plus penalty compensation to deter further fraud.

Bank employees should be prohibited from obtaining power of attorney over the financial affairs of their customers. We saw the awful case where a bank employee obtained power of attorney, convinced the elderly customer to change her will disinheriting the family, prevented family members from visiting her, and neglected her care to the extent that she eventually died. This is a scandal in itself. That bank employee should be in prison, not in a new branch of a new bank. Her collaborators - lawyers, accountants etc - who enabled this fraud should be jailed.

The prison terms should be about the same as those for armed robbery. Because this is what it is. Armed with laws that protect them, these people set about stealing the life savings, homes and assets of ordinary working Australians. They are protected because the police don't pursue them, ASIC doesn't pursue them, politicians are beholden to them and the law is pathetic.

In addition, I believe that those organisations charged with banking and financial advice industry oversight should also be subjected to strict performance guidelines. If a police officer or a magistrate or lawyers fail to look after the clients who have been ripped off in these frauds, they should also be investigated and they should face jail time.

It is only by draconian laws like this that we have any hope of stemming this tide of robbery. Ordinary Australians are losing everything to these criminal banks, and they can't get help from the very authorities who ought to be protecting them. If this is going to change, the entire chain from bank clerk to magistrate needs to be overhauled. Real penalties are needed. Jail time in the general population in a maximum security facility seems about right to me.

I am heartily disgusted to see this endless list of people who worked hard all their lives, were taught to trust banks, policemen and our courts, only to have their assets stolen and to have no help from the people and organisations who ought to help the,

Please take this issue seriously. There is a groundswell of disgust among the voters of Australia. This is an opportunity to let us know you hear us.

Thanks for your time

Katy Kircher